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**SACRAMENTO WOMAN PLEADS GUILTY TO BANKRUPTCY FRAUD**  
**IN SCHEME TO AVOID PAYING RENT**

SACRAMENTO-- United States Attorney McGregor W. Scott announced today that MARTHA KATHLEEN MONTOYA, 48, of Sacramento, pleaded guilty today to two counts of bankruptcy fraud and one count of making false statements in a bankruptcy case. She entered her guilty pleas before United States District Judge Morrison C. England.

This case is the product of an extensive investigation by the Federal Bureau of Investigation, with the assistance of the Office of the United States Trustee.

According to Assistant United States Attorney Camil A. Skipper, who is prosecuting the case, MONTOYA filed thirteen bankruptcies in Sacramento between July 1999 and January 2006, each for the purpose of delaying the collection of past due rents and her family's eviction from rental homes. As part of the scheme, MONTOYA sought the protection of the automatic stay provisions of the Bankruptcy Code after her landlords obtained judgments against her for unpaid rents and won the right to evict her family. During the pendency of each bankruptcy case, the owners of the residences were prevented from collecting past due rents, executing the judgments, or evicting MONTOYA from the property. The bankruptcy cases were dismissed after MONTOYA failed to pay filing fees and/or failed to pursue the cases. In December 2002, the Bankruptcy Court ordered MONTOYA not to file another bankruptcy case for two years (or

five years if all accumulated past filing fees were not paid), but MARTHA MONTOYA continued to file petitions from 2003 through 2005 using false Social Security numbers and variations on her true name.

As part of the plea agreement, MONTOYA agreed to make full restitution to the landlords who were victimized by the scheme. In return for her pleas, the government agreed to dismiss all charges against her husband and co-defendant Eladio Calvillo Montoya.

"Bankruptcy provides relief to the honest debtor in financial distress," stated Acting United States Trustee Sara Kistler. "It does not provide a haven for the dishonest debtor who files repeated bankruptcy cases solely to evade creditors."

MONTOYA is scheduled to be sentenced by Judge England on December 19, 2006, at 8:30 A.M. The maximum penalty under federal law for each offense of bankruptcy fraud and false statement in a bankruptcy case is five years imprisonment and a fine of \$250,000. However, the actual sentence will be dictated by the Federal Sentencing Guidelines and other factors, and will be imposed at the discretion of the court.

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